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Write for our booklet "Management of Your Estate"

UNION TRUST COMPANY OF NEW YORK Eighty Broadway Capital and Surplus, \$8,500,000

Six Leading STEEL STOCKS

A comparative analysis treating with fundamentals of interest regarding

> U. S. Steel Bethlehem Midvale Republic Lackawanna Crucible

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We are offering a limited amount of First Mortgage 5% Bonds of a strictly highgrade character to yield close to 6%. The bonds do not represent a new issue, but have come on the market as a result of the operation of British Treasury regulations. They thus constitute one of those investment opportunities which the war occasionally makes

Write for Circular No. 591 Describing These Bonds.

Spencer Trask & Co. 25 Broad Street, New York ALBANY BOSTON CHICAGO

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Sincinnati

New York Stock Exchange
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(Inclinati Stock Exchange
Chicago Board at Techange STOCKS-BONDS-GRAIN-COTTON

Our Weckly Market Letter "Coming Events"
Upon request. Address Dept. A. 60 BROADWAY, NEW YORK

NOBLE & CORWIN further offerings were made by out of

entral Trust Equitable Trust nion Trust Title Guar. & Trust

Finance - Economics

WALL STREET OFFICE: Mills Building, 15 Broad St

eral districts are as follows:

New York. Philadelphia ... 4

Richmond

Minnear olis.

Philadelphia

(Quoted units to the dollar.)

(Quoted cents to the unit.)

Money and Prices:

Loans of all national banks....

eral Reserve Banks ...

Production:

Bank clearings ...

General:

Liabilities

Stock of money gold in the country .

Bill discounted and bought by Fed-

Federal Reserve notes in circulation.

Total gold reserve.....

Average price of fifty stocks......

Average price of twenty-five bonds . . .

Food cost of living (Annalist index

General commodity price level (Dun's

index number).....

Pig iron (daily average), tons.....

Wheat crop, bushels

Corn crop, bushels.....

Oats crop, bushels.....

Cotton crop, bales.

Commercial failures (Dun's)+

Building permits (Bradstreet's): (157 cities)......

Unfilled U. S. Steel orders, tons..... 9,477,853

Gross railroad earnings..... + 10.8%

. 4.49

62,250,759 14,543,007

define, but, however divergent opin- supply, however, was small and no ion may be as to just what constitutes inflation, we are sure that very Ruling rates for money yesterday, few of those who have studied the compared with a year ago, were as folquestion will subscribe to the theory held by Theodore H. Price and pre-

We have always maintained that

inflation consisted, and consisted only, in the issue of currency that was irredeemable; that if commenced when that currency ceased to be exchangeable for gold at par and ended when the gold parity was reestablished. The theory that an expansion of credit means inflation is only tenable when the credit granted is poorly secured or not secured at all. Were it otherwise the development of loan and deposit banking in this country would have produced intolerable inflation, for aggregate bank loans have increased something over 1,000 per cent since 1880, while our population has hardly more than doubled. Within the same period the per capita of money in circulation has risen from about \$20 to \$48, but the increase has really been much greater when we take into consider- San Francisco.. ation the use of bank checks as a substitute for cash.

Thirty or forty years ago this country was poorly supplied with banks, and outside of the larger cities the farmers demanded currency, and in many cases silver dollars, in payment for their crops. Today nearly every one has a bank account and a pocket checkbook, and | signed bits of paper serve the purquired. The potential addition to our circulating medium has beenenormous, but until the war commenced there was no advance in

But it was not until some time afpand much faster than the production of goods. It is not merely lack of solidity of the security on which as Mr. Price suggests, but rather the use to which credit is put. To the extent that expansion of credit results in increased production no inflation is produced, because such inflation; is produced, because such inflation; is produced, because such inflation; but to the extent that it increases consumption the result is increases consumption the result is Sterling, sixty days, ... 4.72 downright inflation of prices. And, Sterling, capies. 4.70 lest there be any doubt that such recults are produced by expansion of Francs, demand... bank credits, it may be well to give Francs, cables ... here the opinion of no less an au- Lire, checks... hority than a member of the Federal Reserve Board. This is what Swiss, cables ... A. C. Miller said not long ago:

Inflation takes place whenever the Guilders, checks..... supply of the purchasing media is in-creased more rapidly than is the sun. Rubles, cables... creased more rapidly than is the sup- Stockholm, kr., ch'ks. 31.50 ply of goods produced and to be ex- Copenhagen, kr., ch'ks 29.85 changed. Prices then rise. Their rise Pesctas, checks.......24.40 24.35 is inevitable under the operation of the general law of demand and supply, to which the value of money is no exception, but rather the most exact case. The power to purchase exact case. The power to purchase exact case. The power to purchase and pay is the power to bid, and when the supply of the means of purchase and payment—no matter what their forms, whether gold certificates, banknotes, Federal Reserve notes or bank deposit credits circulated by means of checks—outruns the increase in the supply of goods available for purchase there will be increased bidding for the goods, with the inevitable result. the goods, with the inevitable resultant of increased prices. The evidence and the measure of a state of inflation proceeding from inflation of money currency, or credit, are the rise of prices. When, therefore, banking credits are opened for any other purpose than to facilitate transactions which result in an increase in the production and supply of goods banking credit is being used to lay the

Having demolished the quantitative theory of money to his own satisfaction, Mr. Price goes on to say that "it would not appear, however, that an increase in the circulating medium can cause an advance in prices as expressed in terms of gold, so long as that medium is in fact payable in gold," and wonders why there is so much apprehension that creation of the War Finance Corporation will be followed by a great rise in prices. The answer is, there are not many who believe, as Mr. Price apparently does, that \$4,000,-000,000 of currency can be pumped into circulation without inflating prices, and that may easily happen if the bill is passed.

Money and Credit

change yesterday ruled throughout at town institutions, which with the easing up of the local money situation, prevented rates from stiffening to any great extent.

For the first time in several weeks

No Oil Shortage In U. S., Says

Inflation is easier to see than to time accommodations appeared. The Pooling, Petroleum Men Bechange in the prevailing rate of 6 per lieve, Would Relieve Difficulty of Transportation

Discount Rates. Official rates of ance that New Yorkers and others will account for each of the twelve Fednot be denied the use of automobiles Over Over Over there is no necessity in this country. 15 or 15 up 30 up 60 up for prohibiting the use of gasolene

clearings at New York and other crisis."

Mr. Requa came to New York to at

menced there was no advance in values beyond that caused by the depreciation of gold, which was due in turn to an enormous increase in its production at a constantly diminishing cost,

But it was not until some time af
The Dollar in Foreign Exchange

Insisted, "is 100 per cent a problem of transportation. There is no oil insisted, "is 100 per cent a problem of transportation. There is no oil of two large buying orders at about the shortage for our immediate needs, but same time. The fact that the price advanced over 2 points in only a few transportation of foreign trade of transportation. There is no oil of two large buying orders at about the same time. The fact that the price advanced over 2 points in only a few transported of transportation of two large buying orders at about the same time. The fact that the price advanced over 2 points in only a few transported of transportation of two large buying orders at about the same time. The fact that the price advanced over 2 points in only a few transported of 3 per cent on the common, with an inductor of the clear ing House plant, and exchange operations of foreign trade of transport to industries in New England unless in the proposal is a scientific step forward in banking, and follows the live of development of two large buying orders at about the same time. The fact that the price advanced over 2 points in only a few industries in New England unless in the stock.

"Tank car mileage that averaged of the clear ing House plant, and the common, with an annual action and the proposal is a speciation of two large buying orders at about the same time. The fact that the price advanced over 2 points in only a few in House plant, and the common of two large buying orders at about the same time. The fact that the price advanced over 2 points in only a few in House plant, and the clear in House plant, and the common of two larges are the company of two and exchange operations no important "Tank car mileage that averaged

ter the war began that the volume of credit and currency began to expansion is looked for. Italian exchange was in better demand, with lire checks selling early in the day at pand much faster than the production of goods. It is not merely lack of salidity of the security on which mand.

Significant Relations

\$3,041,643,270

\$9,398,836,000

\$801,738,000

1,351,091,000

1,777,329,000

650,828,000

10,949,000

3,159,494,000

85.42

82,835

\$12,829,182 \$19,278,787

"Gold held by Reserve agents against circulation included in general

fund beginning June 22, 1917. For purposes of comparison it is included

The day before 75.40

85.50

286.84

9.381,718

33,649,076

Director Requa

The petroleum director was silent New York \$537,871,842 \$49,354,551 on the question of the future price of 41,530,780 6,381,626 oil. He left for Washington last night .26,905,000 6,534,954

York," continued Mr. Requa, "was probably the largest gathering of oil operators ever held in the United States. Not even in the days of the Standard Oil Company was so much wealth represented as

\$2,968,355,434

Nearest period

\$8,340,626,000

\$132,898,000

314,258,000

*836,122,000

231.59

176.27

11,474,054

636.318.000

2,566,927,000

1,251,837,000

decrease from year before

Moeth of Jan. 1 to
Dec. 31,

6.9% 141 mads

11,449,930

+11.1%

33,016,893

A year ago. 1,165

\$16,617,883

94,473

Steel Foundries Prospered in 1917

But Outlook for 1918 Is Not Encouraging, President

port for 1516, said that steel trade prospects for 1917 were good. These prospects, Mr. Lamont stated in the 1917 report, issued yesterday, materialized into by far the best year in the company's history, in spite of unusu-American oil companies which would ally difficult operating conditions. At the proposed amendment to the con-

for prohibiting the use of gasolene ministrative and head and district of-for pleasure autos, as was done in fice expenses, and adding miscellaneous income, were \$8,956,320. The corre-

Relevant Comment

serial 7 per cent notes of the Procter & Gamble Company were well in excess of the total issue, according to an announcement made very

serve Bank to bring about a wide distribution of the Trensury certificates of indebtedness issued in anticipation of the next Liberty Loan have met with gratifying success. There were more than 1,100 subscriptions were well above the New York district's allotment of \$194,000,000. Of the 1,085 banks in the district practically 100 per cent entered subscriptions. The fact that the district practically 100 per cent entered subscriptions. The fact that the total number of subscribers exceeded the number of banks was because there were several subscriptions by private investors and corporations. The subscription backs closed vestored. scription books closed yesterday.

suit begun yesterday before Judge Martin T. Manton, in the Federal Dis-trict Court, by John L. Emerson, re-Def. after taxes... 476,926 *1,556,623 ceiver of the Mercantile Bank of Mem. phis, Tenn., against Hubbard Bros. & Co., brokers, of 66 Beaver Street,

The complaint alleges the sum named January gross.... \$623,115 was used by C. Hunter Raine, president Def. after taxes . . of the bank, in personal speculations Def. after charges 274,266 in cotton futures, known and intended . Surplus. to be wagers or bets depending upon the fluctuations and variations of the price of cotton on the New York Stock Exchange.

Yazoo & Mississippi Valley
1918.
1917.

January gross. \$1.512,501 \$1,425,769

Exchange.

Alleging that the transactions were in violation of the status of the State of New York, and were therefore wholly unlawful and void, Receiver Emerson, in the complaint, which is drafted by Archibald R. Watson & Giblard Watson & Gibl It is alleged that Raine's specula-titons were conducted through Hubert II. Reese, a director of the bank, who, as representative of Hubbard Bros. & Co., received one-third of the gross Co., received one-third of the gross amount of commissions paid upon any and all orders received from customers of the concern's Memphis office. Further is is charged that Samuel T. Hubbard and W. Eustace

\$57,344,418

Bankers Indorse Clearing House Rate Proposal

ican Steel Foundries, in the annual re- Limitation of Interest on Demand Deposits Called Scientific Reform

The indications yesterday were that Time money (mixed collateral):

Sixty days ... 6% 2½@234% on Sixty days ... 6% 2½@234% on Sixty days ... 6% 2½@234% on Sixty days ... 6% 234@3 % on Sixty days ... 6% on Sixty days ... 6% 234@3 % on Sixty days ... 6% 234

not be denied the use of automobiles for pleasure riding, indicating that there is no necessity in this country for prohibiting the use of gasolene High and.

41/2 Director Returns to Capital

41/2 Director Returns to Capital

41/2 In reply to the question as to wheth
41/2 er there is any likelihood of the gov
41/2 ernment's compelling all oil companies

5 to pool their interests, Mr. Requal

5 said:

| Income, were \$8,956,320. The corresponding figure for the preceding year money away from New York at a time was staged an eserve of S2,257,600 for Federal taxes, there was a surplus of \$5,531,838, equal to 32.2 per cent on \$17,184,000 capital stock, compared with 19.8 per cent earned in 1915.

| Income, were \$8,956,320. The corresponding figure for the preceding year money away from New York at a time when it is most needed to carry on important financial operations. For this reason, it was pointed out, that action of the character proposed should be taken by the Federal Report of the Clark of serve Board, rather than by the Clear

These points were raised chiefly by trust company officials. Executives of national banks, on the other hand, were practically unanimous in their indorsement of any action toward stabilizing interest rates. Their opinion was summed up by the head of an important national hank who said:

These points were raised chiefly by trust company office the Weyman-Bruton Company, tobacco manufacturers and dealers, yesterday declared a stock dividend on the common stock, of which there is \$4,600,000 now outstanding. This action was in line with recent

follows the line of development of certain foreign banks. The limitation of the interest rate will act as a check against excessive rates, and is,

News Digest

New York

Change in Name of Bank. It was American Bank to change the title of that bank, and a committee has been appointed to bring about such a

income was \$529,733.

Brokers Sued for \$201,895

January gross...\$3,562,341

Def. after taxes.. \$0,545

*1,253,427

Bank Receiver Charges Its Def. after taxes.. \$0,545

Bank Receiver Charges Its Def. after taxes.. Chesapeake & Ohio

*Surplus.

Hocking Valley *132,423

Crocker-Wheeler Company. - Net profits for the year ended December 31, 1917, were \$642.895. Total surplus amounted to \$1.175,248. Potato Prices Drop

CHICAGO, March 6.-Large con-

Samuel T. Hubbard and W. Eustace Hubbard, composing the brokerage firm, aided and abetted Raine in carrying out and concealing the fraudulent devices by which Raine utilized the bank's money.

The brokerage firm in its answer says that the transactions recounted were made with the knowledge, consent, approval and authority of the bank, and, therefore, the payments are binding on the bank. The trial is expected to last several days. Eustace signments of potatoes from Wisconsin,

Three Billion Pounds of Wool

is the estimated annual production of the world. The consumption of new wool in the United States last year is figured at 650 million pounds, of which about 290 million pounds were produced in this

War conditions have made it necessary for America to seek new sources of supply. Argentina now raises about 300 million pounds annually, and the United States has become Argentina's best wool customer-a relationship which is not likely to change after the war.

The Citizens National Bank has been strictly a commercial bank for 67 years, is particularly familiar with textile conditions, and offers the complete facilities of a foreign exchange department to merchants and manufacturers transacting business with foreign countries.

CITIZENS NATIONAL BANK OF NEW YORK

inportant national bank, who said:

"The proposed amendment to the constitution of the Clearing House Association will make for uniformity and stability. The argument that funds will leave New York through the constitution of the charge working capital. In connection the constitution of the charge working capital. In connection Silver.—Bars in London were quoted at 24½d, unchanged; New York, 85½c, unchanged; Mexican dollars, 68c, unchanged.

Sub-Treasury.—The banks lost \$2, 236,000 to the Sub-Treasury yesterday.

Silver.—Bars in London were quoted at meeting of representatives of at 24½d, unchanged; New York, 85½c, unchanged; Mexican dollars, 68c, unchanged; Mexican dollars, 68c, unchanged.

Sub-Treasury.—The banks lost \$2, 236,000 to the Sub-Treasury yesterday.

Sub-Treasury yesterday.

St. Paul's Spurt

The rapidity with which the price of Chicago, Milwaukee & St. Paul common shares were run up in yesterday morning's stock market trading from 40% to isting competitive conditions, in my opinion, will not be borne out in an important way by the developments.

New York is the financial centre of the country and it will be hard to the country and the co ending the petroleum fuel shortage. 43½ aroused interested comment in New York is the financial centre of brokerage offices. The sudden upward insisted, "is 100 per cent a problem of two large buying orders at about the country and it will be hard to make it otherwise."

"I am heartly in favor of the Clear declared regular quarterly dividends declared regular quarterly dividends."

Dividends

Extras

Hercules Powder Company. An extra dividend of 2 per cent has been declared, in addition to the regular quarterly dividend of 2 per cent, on the common stock, both payable March 26 to the stockholders of record March

Reductions

Twin City Rapid Transit. - The cor 6 per cent to 4 per cent; quartely dividend of 1% per cent on the preferred stock was also declared. Both dividends are payable April 1.

march 15.

American Smelters Securities Company.
Quarterly dividends of 1½ per cent on the preferred A and 1¼ per cent on the preferred A stocks, both payable April 1 to stockholders of record March 15.

Associated Gil Company. Quarterly dividend of \$1.25 per share, payable April 15 to stockholders of record March 22.

Control State Places of the period after March 31, Government records give the country a plantament records give the country a pl

of record March 15.

J. H. Dunham & Co. Quarterly dividends of 1½ per cent on the prefered stack and 1¼ per cent on the second preferred, both payable April 1 to stockholders of record March 20.

Guaranty Trust Company. Quarterly dividends this country, and government acquired this country.

Bank Receiver Charges Its

Def. after taxes.. 50,545

Def. after taxes.. 594,371

Def. after taxes.. 594,371

President With Speculation

Recovery of \$201,895 is asked in a

Recovery of \$201,895 is asked in a

Recovery of \$201,895 is asked in a

Lehigh Valley Railroad.—Quarterly dividends of 2½ per cent on the common and 2½ per cent on the preferred stocks, both payable April 1 to stockholders of record Morach 1.6 dends of 2½ per cent on the common and 2½ per cent on the preferred stocks, both payable April 1 to stockholders of record dends of 3 per cent on the common and 1½ feed are necessary enable them to meet their rising cost dends of 3 per cent on the common and 1½ feed are necessary enable them to meet their rising cost dends of 3 per cent on the common and 1½ feed are necessary enable them to meet their rising cost dends of 3 per cent on the common and 1½ feed are necessary enable them to meet their rising cost dends of 3 per cent on the common and 2½ feed in several prices for their finished steel have be leading the movement for advance prices for their finished steel have be leading the movement for advance prices for their finished products which they declare are necessary enable them to meet their rising cost dends of 3 per cent on the common and 1½ feed in the movement for advance prices for their finished steel have be leading the movement for advance prices for their finished steel have be leading the movement for advance prices for their finished steel have be leading the movement for advance prices for their finished steel have be leading the movement for advance prices for their finished steel have be leading the movement for advance prices for their finished steel have be leading the movement for advance prices for their finished steel have be leading the movement for advance prices for their finished steel have be leading the movement for advance prices for their finished steel have be leading the movement for advance prices for their finished steel have be leading the movement for advance prices for their finished steel have be leading the movement for advance prices for their finished steel have be leading the movement for advance prices for their finished steel have be leading the movement for advance prices for their finished steel have be leading the movement for advance prices for their finished steel have be leading the movement for advance prices for their finished steel have been advanced by

Penmans, Ltd.—Quarterly dividend of 11/2 per cent on the preferred stock, payable May 1 to stockholders of record April 22.

Weyman-Bruton Company, A stock divi-end of 20 per cent has been declared, pay-sle October 1 to stockholders of record Sep-mber 16. Laurentide Pulp & Paper Company.— Quarterly dividend of 232 per cent on the common stock, payable April 2 to tockhold-ers of record March 23.

ers of record March 26.

Tonopah Belmont Company. Quarterly dividend of 12% per cent, payable April 1 to stockholders of record March 15. White Motor Company. Quarterly divi-end of \$1 a share, payable March 20 to ockholders of record March 16.

Semi-annual dividend of 2 per cent on the preferred stock, payable April 1 to stockhold-ers of record March 12, American Snuff Company. Quarterly dividends of 1½ per cent on the preferred and 3 per cent on the common stocks, both nayable April 1 to stockholders of record March 15.

Penn. Coal & Coke J.K.Rice, Jr.& Co.

Higher Price to Meet Rising Cost

Government May Revise Steel Schedule Upward, Trade Reviews Indicate

s are to be presented by iron remainded in a manufacturers to the War Ind. Board at a conference which reld in about two weeks, Many seeds in about two weeks, Many seeds in a manufacturer in the seeds of the seeds

stockholders of record March 22.

Central States Electric Corporation.

Guarterly dividend of 1% per cent on the previous year.

Guarterly dividend of 1% per cent on the previous year.

Grillago, North Shore & Milwaukee Cailway. Report for the year ended becember 31, 1917, shows gross reve
L. H. Dorter for the year ended becember 31, 1917, shows gross reve
stockholders of record March 22.

Central States Electric Corporation.

Guarterly dividend of 1% per cent on the previous was \$313,903, compared with 672,253 for 1916.

Dominion Iron & Steel Company. Semi-annual dividend of 3% per cent on the pre-ferred stock, payable April 1 to stockholders of for 67½ pound Russian rails still is for country, and government again.

In its weekly review of the marke "The Iron Trade Review" conclude "Price matters again are commanding the chief attention of the iron and steep industrial to the chief attention of the iron and steep industrial to the iron and ste dividends of 2½ per cent on the common and 1%, per cent on the preferred stocks, both payable April 1 to stockholders of record March 15.

Homestake Mining Company, Monthly dividend of 50 cents per share, payable March 25 to stockholders of record March 20.

Lehigh Valley Railroad.—Quarterly dividends of 2½ per cent on the common and leading the movement for advanced

duit and Cable Company.

John E. Thayer, jr., and Charles I Adams have been elected directors of the Edison Electric Illuminating Com pany, of Boston. T. J. Feley, of the Illinois Centra Railroad, has been elected a directe of the Belt Railway of Chicago, suc

DART Systematic Method of AYMENT Investing LAN - Ash for BOOKLETES R.C.MEGARGEL & CO.

Members New York & Chicago Stock Exchange 27 Pine Street - New York

Elections John J. Watson, jr., vice-president the International Agricultural Com-pany, and Thomas Penney have bee elected directors of the National Cor-